

RESOLUTION NO. 75485

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE AUTHORIZING THE DIRECTOR OF FINANCE TO NEGOTIATE AND EXECUTE A SECOND AMENDMENT TO THE CONTINUATION AGREEMENT WITH HORWATH HOSPITALITY & LEISURE, LLC TO COMMISSION A FEASIBILITY STUDY OF ALTERNATIVE USES OF THE DOLCE HAYES MANSION AND TO INCREASE THE CONTRACT AMOUNT TO A TOTAL NOT TO EXCEED \$512,486, SUBJECT TO APPROPRIATION OF FUNDS

WHEREAS, on December 1, 2004, the City of San José ("City") entered into a consultant services agreement with Horwath Hospitality and Leisure, LLC ("Horwath") to provide asset management oversight services through June 30, 2006 to the Dolce Hayes Mansion ("Mansion") on behalf of the City at a total cost not to exceed \$95,950; and

WHEREAS, on August 29, 2006, the City Council adopted a resolution authorizing the City Manager to negotiate and execute a Continuation Agreement ("Agreement") with Horwath for an additional year through June 30, 2007 at a cost not to exceed \$66,300, and to exercise, at the City's option, a one-year option to extend the term of the Agreement through June 30, 2008 with the compensation not to exceed \$72,576, and in June 2007 the City exercised the one year option to extend the Agreement; and

WHEREAS, on June 24, 2008, the City Council adopted a resolution authorizing the Director of Finance to execute a First Amendment to the Agreement with Horwath to extend the term of the Agreement for an additional one-year period through June 30, 2009 at a cost not to exceed \$78,000, and to add two additional option years to extend the Agreement for the option years of July 1, 2009 through June 30, 2010 and July 1, 2010 through June 30, 2011 at a cost not to exceed \$83,580 per option period, and in June 2009, the City exercised the first one-year option to extend the Agreement; and


WHEREAS, the City desires to authorize the Director of Finance to negotiate and execute the second amendment to the Agreement with Horwath to commission a feasibility study of alternative uses of the Mansion in addition to the services performed under the existing Agreement and to increase the contract amount by \$32,500, from \$479,986 to a not to exceed amount of \$512,486;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

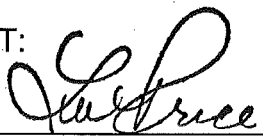
The Director of Finance is hereby authorized to negotiate and execute the second amendment to the continuation agreement with Horwath Hospitality & Leisure, LLC to commission a feasibility study of alternative uses of the Dolce Hayes Mansion, in addition to the services performed under the existing Agreement, and to increase the contract amount by \$32,500, from \$479,986 to a not to exceed amount of \$512,486, subject to appropriation of funds.

ADOPTED this 22nd day of June, 2010, by the following vote:

AYES:	CHIRCO, CHU, CONSTANT, HERRERA, KALRA, LICCARDI, NGUYEN, OLIVERIO, PYLE; REED.
NOES:	NONE.
ABSENT:	CAMPOS
DISQUALIFIED:	NONE.


CHUCK REED
Mayor

ATTEST:



LEE PRICE, MMC
City Clerk